

to the miner, health insurance is more significant in the long term than the wages of the pension. But they wanted the health insurance in their old age, to earn coverage for their wives, too often widowed too early. They sacrificed for the guarantee of coverage, a guarantee that was sealed by this Government in law and which was promised to them by President Harry S. Truman, the U.S. Government, and which we, in a bipartisan way, passed into law in something called the Coal Act back in 1952, which is in the process of being repealed by the Republican majority.

These benefits, Mr. President, were guaranteed by a promise made by that President 50 years ago. So what is a contract worth? They ask; I ask. These coal miners escaped floods, they escaped roof falls, they escaped explosions, they escaped the ravages of black lung. They still survive, a few of them, across this country, 92,000. But they may not survive this Republican Congress, and I am sad to say there is probably more to come.

But for me, I have seen enough. I have seen enough. Every person has a line, a line in the sand. Every one of my colleagues has a line. For me, the line is these old miners. I cannot, I will not, go back to West Virginia without knowing that I did everything—everything—to stop this cruelty.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. ROCKEFELLER. I ask unanimous consent for 1 more minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROCKEFELLER. Mr. President, no amount of procedural pain or legislative suffering that I, as a Senator, rightfully can impose—and will—could possibly offset the pain and the suffering being imposed on so many fragile people by the measures being rammed through the Senate Finance Committee and this Congress.

I recognize that the powerful interests who will benefit from these harsh measures will probably win and these coal miners will probably be cut off. But I want to make it hard, and I have the right to make it hard, and I have the moral obligation to make it hard for anybody to do that. I only wish I could make it as hard for them as they intend to make it—we in the Congress, that is—for the children and the seniors and the students and the disabled and the poor working families and those old coal miners. That is my line in the sand. I fully object to what this Congress is doing.

I thank the Chair. I thank the Senator from North Dakota.

Mr. DORGAN. Mr. President, I yield 5 minutes to the Senator from Illinois, Senator SIMON.

The PRESIDING OFFICER. The Chair recognizes the Senator from Illinois.

BALANCING THE BUDGET

Mr. SIMON. Mr. President, I thank my colleague from North Dakota for yielding to me.

Senator BOXER, whose work I have come to appreciate more and more in this body, and I had a press conference in which we had some senior citizens and some students, senior citizens talking about the need for student aid, students talking about how we have to protect our grandparents. The reality is this should not be a partisan fight.

I am sure the Presiding Officer has heard me mention before we have become excessively partisan. It is one of the changes that has happened in my years in Congress, and it is not a good change. I think, frankly, the Republican Party is going to get hurt somewhat in the course of all this. But there is too much partisanship in all of this. I do not believe it makes sense when we have huge deficits—and the Washington Post had an editorial about this this morning—to be saying we are going to have a tax cut.

It is like saying you are having a New Year's resolution of going on a diet, and you are going to start it off by having a great big dessert. That is what we are doing now. We are going to balance the budget, but we are going to have a \$245 billion tax cut.

If we want to use that \$245 billion for reducing the deficit, I would understand that. But that is not what is happening, and I do not think there is any question about what we are going to impose on seniors. Also—and it has not received as much attention as Medicare has—Medicaid is also going to really be hurt. Who receives Medicaid? The majority of those who receive it are children, poor children—24 percent of our young people live in poverty—and senior citizens, those who are in nursing homes. They are basically the primary recipients.

But it is part of a pattern of not being as responsive as we should be. Let me just tie in with what those grandparents said out in front of the Capitol just a few minutes ago at the press conference on student aid.

The Presiding Officer will forgive me to say he is old enough, along with me, to remember the GI bill. It is interesting how the GI bill emerged. The GI bill, which we look back to with great pride and say what a great thing it was for our country, was a matter of controversy. There were those who said we ought to give a cash bonus to veterans, and the American Legion, to their great credit, said we ought to have the GI bill which will provide education to veterans. That was the fight.

Today we have almost a similar fight. Cash bonus—we do not call it a cash bonus, we call it a tax cut. Like the cash bonus, it will be frittered away and will not do much for our country. But if we put money into student aid, we are going to do something for our country.

Direct lending is under attack, and this is not a Democratic program. TOM

PETRI, a Republican from Wisconsin, was the first one to suggest it. My colleague, Senator Dave Durenberger, was a cosponsor with me of direct lending when it was introduced. Senator David Durenberger has properly said, in regard to the role of banks and the guarantee agencies, "This is not free enterprise, it is a free lunch." That is why the banks and the guarantee agencies are fighting for this.

The commission that looked into how we ought to have student aid, headed by our former Republican colleague Senator Paula Hawkins, recommended direct lending. Larry Lindsey, a Bush appointee to the Federal Reserve Board, has said we should have direct lending, it makes more sense, in a letter to our colleague, Senator SPENCER ABRAHAM.

We have to be looking out for the interest of the young and the old, for everyone in our society. We have to reach out. And I hope we use some common sense. We are going to be in this battle the middle of next week. And to say we are going to have tax cuts for people at the same time we deprive elderly and students of the help that they need, I do not think is in the national interest.

I simply ask the Presiding Officer—and I know he cannot answer this from the chair—I have not yet had one person with an income over \$100,000 come up to me and say, "I ought to have a tax cut." I have had a lot of people come to me and say, "We should not be cutting back on Medicare, we should not be cutting back on Medicaid, we should not be cutting back to assistance to students." Those are the choices that we have, and I hope we do the responsible thing here.

Mr. DORGAN. Mr. President, I yield 5 minutes to the Senator from Washington, Senator MURRAY.

The PRESIDING OFFICER. The Chair recognizes the Senator from the State of Washington.

CUTS IN MEDICARE AND MEDICAID

Mrs. MURRAY. Mr. President, I come to the floor today to join my colleagues in exposing to the light of day the real lasting affects of the deep, reckless cuts in Medicare and Medicaid that are being rushed through this Congress. I want to focus specifically on the massive proposed scaling back of Medicaid and how it completely ignores the values of average, middle-income families today.

Let me focus for a minute on one of the hidden surprises in the Medicaid block grant proposal—one that is going to devastate the so-called sandwich generation—my generation. The sandwich generation is those of us who are raising our kids at home, and who are also responsible for the health and safety of our aging parents.

Today, under current Medicaid laws that have been in effect since 1965, adult children are not held legally or financially liable for their parents'

health care. If the parents' health deteriorates and they enter a nursing home, Medicaid helps with the costs if they personally meet financial requirements.

Republicans, however, today are proposing to repeal this protection, which will allow States to go after the life savings of adult children before Medicaid kicks in for their parents. In fact, if this law is repealed, working families in 29 States will immediately be subject to State laws requiring them to bear astronomical long-term care costs now covered by Medicaid.

What does this mean in pocketbook terms? Caring for an elder in a nursing home costs an average of \$36,000 to \$40,000 a year. By the way, the cost of caring for a medically fragile child on a ventilator can easily cost as much as \$86,000 a year, or more.

This could be catastrophic to the average family budget. It is prejudicial, and it is unfair. Let us not forget, these are families already under stress trying to put food on the table, paying for their children's education, and trying to save for their own retirement.

Some of these 29 States whose laws will go into effect if Medicaid is rolled back have general duty-to-support laws. These laws assume that since parents take care of children, children must later take care of the costs of their parents. Other States require reimbursement of nursing home and goods and services, similar to child support laws. Some States will actually impose criminal penalties for adults who do not contribute to the cost of their parent or family member in a nursing home.

This means that working families will have to make new choices. They will have to choose between allowing their mom to be cared for in a facility where she will have access to medical attention and assistance, or quitting a job to take care of her at home.

They will have to choose between paying for one family member's medical costs, or for the cost of another family member's education. Or paying for groceries. Or saving for retirement.

Working families should not be forced to make such untenable choices. No one wants to make choices between the future of their own children, and the health of their parents. They should not have to.

So why are these cuts being suggested? We have no crisis, financial or otherwise, that could merit these draconian measures. Any money that may be needed to continue our commitment to Medicare is not an issue with Medicaid. Under the guise of saving money, this cut will actually pit our citizens against one another.

There are 36 million financially strapped Americans on Medicaid: 4 million elderly Americans, 6 million disabled Americans, 8 million American women, and most important, 18 million American children.

Under the Republican proposal, over the next 7 years nearly one in every

four Medicaid recipients will lose their coverage. Who will suffer when our State governments run out of money?

Who will be turned down for benefits? An elderly woman waiting for vital nursing assistance? A disabled adult needing new sterile suction tubes for a ventilator? A medically fragile child whose body needs an essential mineral or amino acid to process food?

I can tell you this; I would not want to be the one making that choice.

This is real. It is going to be felt by real families, with real problems in my State and across this Nation.

I got a letter recently from a mother who is scared about how this assault on Medicaid might affect her son Patrick, who is a 45-year-old man with infantile autism, which among other things, means that he has no verbal language. During Patrick's early life, no insurance company would cover the costs of his treatment or therapy, so it was no surprise that by age 16 he had deteriorated to the point where he was also afflicted with epileptic seizures.

When Patrick's parents finally learned, on their own, that their son qualified for Medicaid coupons when he was 22, Patrick's life changed. He could receive treatment at any doctor, dentist, or pharmacy he needed to see, even though his parents sometimes had to remind people who tried to refuse the coupons that the medical schools they had attended had received Medicaid funding.

Today, Patrick lives freely in the community, in his mother's words "only because of the federally mandated program, Medicaid." Republicans in Congress would make Patrick and his family compete at the State level against pregnant mothers, severely mentally ill teenagers, elderly stroke victims in nursing homes, and medically fragile infants. All to be able to provide a tax break no one wants, to people who do not need it.

This is nothing more than the legislative pursuit of political dogma, without regard for the consequences to real people.

The core principals in these proposals are all wrong. This is not the America I grew up in, the country I believe cares about all of its citizens, no matter who they are or where they come from, or how much they are worth in financial terms.

Let us look at the real problem. If this Congress is serious, it will focus on the \$89 billion financial hole in Medicare, and will find a way to make these programs work better for families. We cannot just toss people on the street and hope things turn out OK.

We hear so much about family values today. Well, I agree: it is time to start valuing our families. It is time to recognize that many many families are struggling today. Their real needs are family wage jobs and economic security; a good education for their kids and health care that is affordable.

These draconian cuts, so hastily thrown together, will only increase

economic insecurity of American families. I hope this Congress will have the integrity and the intelligence to stop these unnecessary cuts now, before it is too late.

Mr. DORGAN. Mr. President, I appreciate the comments by Senator MURRAY from the State of Washington. She says it well and says it with feeling. I suppose some would say that we are hopelessly old-fashioned when we think that there are certain virtues in our country, the virtue of helping someone who needs help, extending a hand to those who are down and out, caring about kids. There are certain virtues that are important, that ought to be at the front of the agenda, at the top of the list.

I come from a town of about 300 people, and if you were to devise some sort of fiscal policy or budget for my hometown and say, look, I have an idea for this town, and here is my idea. Our town has 300 people in it. What I am going to do is I am going to make a stop at some of the poorest homes in our town, where people do not have much, and I am going to ask them to tighten their belts and take away a little of what they have. I am going to stop at the homes where people are trying to send their kids to college and say: You know what I want to do for you? I want to make it more expensive to send your kids to school.

I want to stop at the middle-income working families' homes, who have parents in nursing homes, whose assets are exhausted and gone and say: We are going to make a deal for you. You are going to have to pay more to have your parents in nursing homes.

I am going to stop at a home where a low-income single mother has a child in Head Start and say, "By the way, your little Timmy, age 4, his name comes up on our list of 55,000 kids that we cannot afford to have in the Head Start Program."

Then in our travels around this small town of 300 people, we will say, well, we have been to all the neighborhoods and told those folks what they have to sacrifice. We will stop by the wealthiest families in town and give them the good news.

Know what the good news is we will say to the wealthiest folks in town? "We will give you a big tax cut." Do you know why? "Because you are successful, you are investors and you deserve it."

Now, it is true we will not even bother to tell you we have been driving around town all day telling the poorer folks and the middle-income families how much they have to give, but we are delighted to stop at your house because we will give you a big tax cut. We think so much of you, we think so much of what you do we want you to have more.

I am saying that sense of priorities does not make sense to me. It is out of step. This is all about priorities and choices.

Frankly, I wish it were not partisan. For 10 months we have heard people

stand on the floor saying we are the ones that do not care about a balanced budget. Nonsense. We are the ones that do not care about putting this country's fiscal house in order. Rubbish. For 2 days, an hour a day we have heard people stand up and say we are the ones that could not have a plan. Baloney.

Of course, we have a plan. We do not have a plan like this. We have a plan that balanced the budget and does it the right way with the right priorities.

Here is a letter dated today by the head of the Congressional Budget Office, and it is "Chapter 2 in Budget Fraud": This says, from the head of the Budget Office, June O'Neill, Director, "The CBO projects that the enactment of the reconciliation legislation submitted to the Budget Committee would produce a small budget surplus in the year 2002."

Oh, really? A small budget surplus? Well, what it will produce is \$110 billion deficit. This is budget fraud. I have sent a letter to the Director of the CBO just now, and I am hoping to get an answer either today or in the morning that says, by the way, if you construct a letter like this following the law and not misusing Social Security funds, what is the deficit in 2002?

The answer, if the Director of the Congressional Budget Office gives me an honest answer, is that the deficit in the year 2002 with this set of plans or these priorities will be \$110 billion deficit in the year 2002.

Now, we want to see some honesty in budgeting. I yield to the Senator from South Dakota, the minority leader, who has come to the floor and wants to make a presentation on these priorities.

PRIORITIES

Mr. DASCHLE. I thank the Chair and the distinguished Senator from North Dakota for his eloquence and his leadership on this issue. He has spoken as passionately as I have seen him speak on an issue he cares deeply about, and I am very grateful to him for the many occasions where he has come to the floor to speak out as strongly as he has again this afternoon.

Mr. President, this is an unusual week. I hope that everyone can fully appreciate the magnitude of what will happen this week. As we speak, the Senate Finance Committee is meeting to discuss just how we will divide up the \$245 billion in tax cuts that we have been talking about now for several months.

They are expected to complete their work tomorrow. Ironically, tomorrow is the very day the House of Representatives will take up a proposal to cut \$270 billion from Medicare in an effort to pay for it.

So you have the interesting and very ironic juxtaposition of the Senate Finance Committee voting to cut \$245 billion today and tomorrow, and the House voting simultaneously to pay for

it by cutting \$270 billion in Medicare and ultimately \$187 billion in Medicaid, to ensure that we have enough left over.

We are deeply concerned, Mr. President, on the ramifications that all of this has; concern for a lot of reasons. Let me mention just four.

First, we are deeply concerned, and I could bring back all of the rhetoric we heard last year during the health care debate about closed-door decisionmaking, rhetoric we heard about the concerns raised by many that we did not have an opportunity to discuss in open and public debate all of the very significant and far-reaching ramifications of the decisions being made.

Lo and behold, over the last several days, that is exactly what has happened with regard to this tax package. Decisions were made, deals were cut, long-term ramifications considered and explained away without one opportunity for Democrats to be consulted or to participate. That is wrong. Closed-door decisionmaking, Mr. President, is wrong under any circumstances, and it is wrong in this case.

We just saw evidence in the last couple of weeks about what kind of deals can be cut behind closed doors, as doctors went in to speak to the Speaker and came out smiling because of the new opportunities they have to avoid responsibility in making the cuts on Medicare; avoid having to come under the scrutiny of those who would ferret out waste and abuse in the Medicare Program.

The Speaker made an announcement a couple of days later that he will go after murderers first and he will talk later about what problems there may be with fraud and abuse in the Medicare system, because we may not have enough prison cells.

Mr. President, that is wrong. If that is what results in closed door deals, it is doubly wrong.

We are equally concerned about the budgetary effect. Everybody has come to the floor, time and again, to talk about what it is we are trying to do with this reconciliation package, what we are trying to do, going all the way back to the budget debate last spring and how important it was we did everything possible to ensure that we reach that 2002 target day.

What do we find? Republicans have a choice between a tax cut which exacerbates the problem by \$93 billion according to CBO and not achieving all of the goals that we want, or having a tax cut and doing all that Republicans have proposed we do with regard to providing this largess to those who do not need it.

What do we find? Almost to a person, our Republican colleagues now suggest that it is important to pass this tax cut, regardless of the deficit ramifications. The \$93 billion somehow is explained away. The \$93 billion will not be explained away, Mr. President, and we have to address that issue before we resolve this reconciliation matter.

Third, as we have said time and again, it is the distribution of benefits that disturbs us a great deal. Providing huge tax cuts to millionaires and requiring working families with incomes of less than \$30,000 to pay more is just wrong. It is wrong, and that distribution is something that we will be dealing a lot more with in the coming days and weeks.

How is it we can possibly ask working families to pay more, and turning around and giving those who have so much yet another handout in the form of tax benefits?

Perhaps the most troubling of all the aspects, Mr. President, is the degree to which Medicare is being cut to accomplish this in the first place. A Medicare cut of \$270 billion, \$187 billion in Medicaid, all in this rush that somehow it is those resources that will be used only for deficit reduction, when we know full well that \$270 billion is going to be used for the tax cut that has nothing to do with taking further out whatever solvency we can in the trust fund.

Bruce Vladeck said in an October 11 letter to Congressman SAM GIBBONS:

The cumulative effect of the Medicare Part A HI reductions included in H.R. 2425 for FY 1996-FY 2002, offset by the cost of repealing the OBRA'93 provision, would reduce Part A expenditures by approximately \$93.4 billion. Based on estimates from the Health Care Financing Administration's actuaries, the resulting year-by-year "net" Medicare Part A savings would extend the life of the HI Trust Fund through the third quarter of calendar year 2006. This estimate is based on the intermediate set of assumptions in the 1995 Trustees Report.

Mr. President, that says it as clearly as anyone can say it. While the Republican proposal would cut \$270 billion, the effect that it will have on the trust fund is the same effect as the Democratic plan which cuts at 89.

I do not think anyone should be misled about the real motivations and the real desire on the part of Republicans, understandably, to find a way to pay for the tax cut in the first place.

The real impact to real people is what we ought to be concerned about. The distinguished Senator from North Dakota said it so well. They are the most vulnerable. They are the people whose faces we must remember as we make these very important decisions—disabled people, elderly people, children, people who will be left out simply because we failed to appreciate the magnitude of the personal impact that these decisions will have on them.

I do not think a soul in the country voted last year to cut Medicaid benefits to those who are disabled so we could give a tax cut to those who do not need it. That is wrong. That set of priorities must be turned around, and over the course of the next several days we will do our level best to ensure that people fully appreciate the repercussions and ramifications of what some on the other side are prepared to do.

With that, I yield the floor.